

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: SUPPORT SERVICES

DATE: JANUARY 29, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS TAYLOR
VANNESS
GIRARD
STRAINER
STEC
LOEB

OTHERS PRESENT:

AMY CLUTE, SELF-INSURANCE ADMINISTRATOR
ROB METTHE, DIRECTOR, INFORMATION TECHNOLOGY
PAUL DUSEK, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
KEVIN GERAGHTY, BUDGET OFFICER
SUPERVISOR THOMAS
TODD LUNT, DIRECTOR, HUMAN RESOURCES
RENEE BAKER, TD BANKNORTH
JOHN BIENIEK, VICE PRESIDENT, COOL INSURING AGENCY, INC.
JOHN WEBER, PRESIDENT, CAPITAL FINANCIAL GROUP, INC.
DON LEHMAN, *THE POST STAR*
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

Mr. Taylor called the meeting of the Support Services Committee to order at 10:54 a.m.

Motion was made by Mr. Strainer, seconded by Mr. Stec and carried unanimously to approve the minutes from the prior Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Amy Clute, Self-Insurance Administrator, who distributed copies of her meeting agenda to the Committee members.

Ms. Clute advised that her agenda consisted of a review of the three insurance related contracts for broker services which were to expire in 2010. She noted that Renee Baker, of TD Banknorth; John Bieniek, Vice President of Cool Insuring Agency, Inc. and John Weber, President of Capital Financial Group, Inc., were all in attendance to represent the firms the County currently contracted with.

Beginning with health insurance broker services, Ms. Clute apprised that the County's current contract with Capital Financial Group, Inc. was to expire on September 22, 2010. She noted that many years ago, employee health insurance coverage was administered by the Self-Insurance Department, but was outsourced by contract to Capital Financial in 2004 subsequent to an RFP (request for proposal) process. Ms. Clute added that the initial contract had been for a three-year term with an additional three-year renewal option which had extended the contract from September 22, 2004 through September 22, 2010. As there were no further extensions available, she advised that an RFP would be required to secure health insurance broker services upon the expiration of the current contract. Ms. Clute noted that when the Human Resources Department was established, all responsibilities associated with managing the health insurance contract had been transferred from the Self-Insurance Department to Human Resources and were now managed by Todd Lunt, Human Resources Director. In light of this change, she questioned whether the approval for the RFP, and future discussion for related services, should continue to be discussed by the Support Services Committee or by the Personnel Committee which served as Mr. Lunt's supervisory Committee.

Mr. Taylor stated his opinion that all of the insurance lines should continue to be discussed by the Support Services Committee and Ms. Clute replied that she was not averse to continuing this practice, but noted that she felt Mr. Lunt should be involved in any such discussion relating to the health insurance broker services contract as he was

the primary contact with the broker. When asked for his opinion on the matter, Mr. Lunt said he had no preference as to which Committee addressed the contract.

It was the consensus of the Committee that all matters related to the health insurance broker services would continue to be addressed by the Support Services Committee, allowing Mr. Lunt to be involved in discussions whenever necessary.

Motion was made by Mr. VanNess, seconded by Mr. Stec and carried unanimously to authorize the preparation and release of an RFP for health insurance broker services.

Ms. Clute apprised that the next contract to be discussed was for property and casualty insurance broker services. She noted that the current contract with Cool Insuring Agency, Inc. was due to expire on September 22, 2010 and included a three-year extension option. Ms. Clute explained that at the time the contract was secured it was the County's intent to leave the bulk of the insurance coverage with NYMIR (New York Municipal Insurance Reciprocal) allowing the chosen broker to collect commissions on the speciality lines coverage, aside from those held with NYMIR. She added that the contract included provisions for a \$40,000 annual broker service fee to be paid to Cool Insuring for property and casualty services. Ms. Clute noted that the portion of the contract allowing for a three-year extension did not specify what the annual broker service fee would be and she had asked Mr. Bieniek to attend the meeting to address this issue, as well as to answer any questions the Committee might have.

Mr. Bieniek advised that although his firm managed insurance products for a number of municipal programs, the County's was unique in that they had selected an insurance carrier and then sought out a broker able to represent their interests, similar to the ways in which Fortune 500 companies addressed their insurance needs. He noted that the \$40,000 broker fee charged was a significant reduction from the amount that would be charged if a normal commission were being assessed, which would be in the area of \$65,000 annually. Mr. Bieniek apprised that at the start of the contract the County's total property and casualty expense was approximately \$818,000, with total property coverage limits in the range of \$68 million and 277 vehicles in the automobile fleet. He said that for the first year of service to the County, Cool Insuring had imposed a performance guarantee stating that if they were unable to reduce premium by at least \$100,000, they would forego their broker fee. Mr. Bieniek said they were able to attain a quotation for coverage with an alternate carrier for a \$107,000 savings; however, he said, the County had chosen to continue their coverage with NYMIR which equated to only a \$75,000 savings for that year, a total savings of \$225,000 for the three-year contract term due to negotiations by Cool Insuring. He noted that in the second year of their contract, Cool Insuring had captured an additional \$20,000 savings when they were able to negotiate and avoid premium increases that would have been levied due to the County's deteriorating claims experience in 2007. Mr. Bieniek stated that because the claims experience had continued to deteriorate, the insurance premiums for 2010 were approximately \$20,000 higher than what was paid in 2009. He added his feeling that Cool Insuring had done a good job in addressing the County's insurance needs as regardless of a 50% increase in property values and a 10% increase in the fleet size, the insurance costs were still \$75,000 less than what was being paid for similar coverage in 2007. In terms of the broker fee for the three-year contract extension term, Mr. Bieniek said he would request only a 3% inflationary increase and he suggested \$44,000 as the new annual contract fee.

Mr. VanNess questioned whether the broker fee could be increased for the three-year extension term without engaging an RFP process. Paul Dusek, County Attorney, replied that because the RFP for the original contract did not account for any increase in fee, he was uncomfortable with encouraging a fee increase without an RFP process. He added that when developing the agreement terms included in the contract they attempted to include the longest possible terms to decrease the amount of time and effort contributed to the RFP process. By including two separate

three-year terms in one contract, Mr. Dusek said they allowed the County the ability to opt out of the contract after the first three-year term. He added that by not including any language to the contrary in the initial RFP, it was intended that the terms of the contract would not change with the three-year renewal term. Mr. Dusek stated that his dealings with Cool Insuring had been excellent and there were no service issues to address; however, he added, if the Committee chose to renew the contract, it should be with the same \$40,000 broker fee attached. Mr. Bieniek advised that he was agreeable to these terms.

Motion was made by Mr. Girard, seconded by Mr. Stec and carried unanimously to authorize the renewal of the contract for property and casualty broker services with Cool Insuring Agency, Inc. for a total amount not to exceed \$40,000 annually for the term commencing September 22, 2010 and terminating September 22, 2013, and the necessary resolution was authorized for the February 19th Board meeting. *A copy of the request is on file with the minutes.*

Concluding the agenda review, Ms. Clute apprised that the excess workers' compensation and employer's liability broker services contract was to expire on December 31, 2010. She added that the current contract was held with TD Banknorth and included no renewal options; therefore, she said, an RFP was necessary to secure a contract for services to begin on January 1, 2011. Mr. Dusek confirmed that an RFP process was necessary and suggested that it be developed to include an initial three-year contract term with an optional three-year renewal term, similar to the format used for the property and casualty insurance broker services contract.

Motion was made by Mr. VanNess, seconded by Mr. Strainer and carried unanimously to authorize the preparation and release of an RFP for the excess workers' compensation and employers liability broker services contract.

As Ms. Clute had no further business to discuss, privilege of the floor was extended to Rob Metthe, Director of Information Technology (IT).

Mr. Metthe reminded the Committee that in the process of developing the 2010 Budget the Budget Committee had decreased Departmental funding by 40% and had sought to eliminate an Analyst Programmer position. He noted that by making alternate concessions, they had been able to preserve the Analyst Programmer position which facilitated a number of duties and programs within the Department; he added that the position incurred a very small cost to the County when compared to the value of the projects it supported. Mr. Metthe then presented a listing of the projects and duties associated with the Analyst Programmer position which supported the 250 employees using the County's computer based systems, representing \$13 million in salary costs per year; *a copy of the project listing is on file with the minutes.* He advised that the ability for these employees to be able to perform their duties when coming to work presented an immeasurable cost benefit to the County.

Mr. Stec said the IT Department might be a good candidate for a summer internship program to attract college students engaged in IT related learning programs. He noted that the students could be assigned discreet, non-confidential duties not requiring extensive tutelage, thereby harnessing very low cost assistance for the County. Mr. Metthe apprised that the Department had used intern services in the past and had actually benefitted from the use of a BOCES intern during the move of County staff to the new Human Services Building; however, he noted, interns were not permitted to work alone and had to be shadowed constantly by IT staff. He advised that through connections with key staff at ACC (Adirondack Community College) the County had attracted a number of recent graduates seeking to provide their 100 hours of internship services to complete their degree programs. Mr. Metthe said that three of his current staff members were ACC graduates that the County had employed at the close of their internship service.

Mr. Metthe then proceeded to provide a review of the Warren County System Portfolio (WCSP) developed by the IT Department. He noted that the WCSP system currently maintained 500 different programs for the various County Departments and was also used to track the projects being worked on by IT staff, allowing them to determine the costs associated with each project and to maintain extensive notes on each system being developed. Mr. Metthe advised that through the WCSP system he was able to determine the number of hours worked on a particular project by his staff and to appropriately bill the associated Department for the services rendered.

Mr. Taylor apprised that he'd had the opportunity to visit Mr. Metthe's office and had been privy to a personal presentation on how the WCSP system allowed him to track all progress within his Department at any given time. He said that there was a lot of progress being made to advance the technology of the County within the IT Department and he suggested that any Supervisors who had not visited the Department do so to see these efforts first hand.

Discussion ensued.

As there was no further IT business to discuss, privilege of the floor was extended to Joan Sady, Clerk of the Board. Mrs. Sady began by presenting a request to approve travel for herself and JoAnn McKinstry, Deputy Commissioner of Administrative & Fiscal Services, to attend the 2010 NYSAC (New York State Association of Counties) Legislative Conference in Albany, NY on February 8th and 9th.

Motion was made by Mr. Stec, seconded by Mr. Girard and carried unanimously to approve the above referenced travel request. *Copies of the Authorization to Attend Meeting or Convention forms are on file with the minutes.*

Continuing, Mrs. Sady advised that her Departmental budget included \$7,000 for legal advertising fees, \$3,800 of which had been expended in January alone for Local Law publications and advertisements for the County-owned properties being offered for sale. She noted that a considerable amount of the total expended was attributed to the publication of Local Law No. 1 of 2010 which imposed the motor vehicle use fee for Warren County. Mrs. Sady explained that as per Mr. Dusek's counsel, local laws were required to be published in their entirety twice after adoption in two local newspapers; she added that although surrounding Counties had begun publishing summarized or shortened versions of their local laws, Mr. Dusek had advised that this was not legally acceptable and the State was within its rights to overturn any of the laws adopted. She stated that Mr. Dusek had suggested the matter be referred to the Legislative Committee to request that Section 214 of the County Law be amended to allow for the publication of summarized local law listings in order to reduce the associated printing costs. Additionally, Mrs. Sady said she wanted the Committee to be aware of the budgetary situation as she had no control over how many local laws would be adopted for the year, nor could she reduce the related printing costs, and she feared that she would prematurely deplete the funds available in light of the fact that more than half of the amount allotted had been expended in the first month of the year.

Mr. Strainer questioned whether the funds expended for publication of Local Law No. 1 could be recouped from the collections for the motor vehicle use fee and Mrs. Sady replied in the negative, advising that the publication of local laws was the responsibility of the Clerk of the Board and would therefore have to be paid from her Departmental Budget. Mr. Strainer then asked how much had been expended for legal publications in 2009 and Mrs. Sady replied that the total spent was in the area of \$7,000 as she had not increased the amounts included in the 2010 Budget over the actual expenditures for 2009.

It was the consensus of the Committee that the matter should be referred to the Legislative & Rules Committee as

per Mr. Dusek's suggestion.

Mr. Stec requested a second referral to the Legislative Committee regarding an amendment to the section of the State Vehicle and Traffic Law that exempted municipal vehicles from the "rules of the road" when engaging in highway maintenance or repair.

Mr. Thomas questioned the status of the RFP for the time keeping system and Mrs. Sady advised that Mr. Lunt and Rob Lynch, Deputy Treasurer, had set up meetings to be held within the following week during which demonstrations of the products offered would be made by five different vendors. She added that an informal meeting was taking place that afternoon to develop a listing of questions to be asked during the demonstrations. Mr. Strainer stated his concern that the Board of Supervisors would be expected to vote in favor of one certain time keeping system and would not actually know the specifications of that system because they were not being involved in the evaluation process. Mr. Lunt replied that a group of County employees representing various users of the time keeping system had been selected to review the options available and determine the one best suited to the County's needs which they would then recommend to the Board of Supervisors. He advised that any Supervisors wishing to attend meetings concerning the selection of a time keeping system, or the product reviews, were certainly welcome to do so.

Discussion ensued.

As there was no further business to come before the Support Services Committee, on motion made by Mr. Stec and seconded by Mr. Strainer, Mr. Taylor adjourned the meeting at 11:48 a.m.

Respectfully submitted,
Amanda Allen, Sr. Legislative Office Specialist